



July 24, 2012

To: Appropriations and Human Services Committees
From: Hillary Teed, Public Policy Specialist
Re: **Joint Public Hearing- 7/24/12 Testimony**

Senator Harp, Representative Walker, Senator Musto, Representative Tercyak and other members of the Appropriations and Human Services Committees:

Please accept this testimony regarding the Department of Social Services' proposed "Section 1115 Demonstration Waiver Making Changes to the Medicaid Coverage Group for Low-Income Adults." Unfortunately I am unable to deliver this testimony in person, but I have submitted similar comments in response to DSS' 7/3/12 *CT Law Journal* posting regarding this matter.

CCPA represents organizations that provide services and supports for people with disabilities and significant challenges including children and adults with substance use disorders, mental illness, and intellectual and physical disabilities. Community providers deliver quality health and human services to 500,000 Connecticut residents each year. We are the safety net.

Impact of proposed waiver on service delivery system: CCPA's chief concern with the proposed 1115 waiver request relates to the impact it will have on the behavioral health service delivery system. Medicaid LIA offers a comprehensive array of behavioral health services and supports, many of which are not covered under commercial insurance policies. For example, commercial insurance does not cover transportation to/from services yet access to transportation is a significant issue for many LIA enrollees. If such consumers are suddenly unable to access necessary behavioral health services because the service(s) are no longer covered or they are unable to reach the service due to transportation issues, there will be increased demand on the already severely strained grant system. In addition, if individuals are not able to access necessary behavioral health services there will be increased inappropriate use of emergency departments and inpatient hospital beds which are significantly more costly and restrictive than community-based treatment options.

In our written comments regarding this proposed 1115 waiver, we encouraged the Department to address the following questions in writing:

- How will DSS determine whether the parents described in the proposed waiver request in fact have health insurance, and
- Assuming that such parents have health insurance, how will DSS determine whether they can afford to cover their adult children on their plan?

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Provisions for federal funding beginning in 2014: CCPA also questions the timing of this 1115 waiver proposal since the Medicaid LIA program will become a federally funded and regulated program under the Affordable Act (ACA) in 2014. Our provider members fear that making changes to this program now will cause unnecessary confusion and disruption in health care delivery for low-income people.

For example, imposition of the asset limit will require all 78,000 current LIA enrollees to re-submit their information for re-determination of benefit eligibility. DSS' current eligibility system cannot process applications and redeterminations in a timely manner. Requiring this re-application process will result in an unnecessary extra step, requiring people currently covered by LIA to lose coverage while their re-applications are pending. In addition, applications and redeterminations for all other Medicaid programs will be slowed even further than they are now.

In our written comments we encouraged the DSS to find a way to continue to support the LIA program as it was envisioned in April 2010 when Connecticut became the first state to expand Medicaid coverage to the uninsured under the ACA option.

Conclusion: CCPA appreciates the opportunity to submit testimony on this proposed 1115 demonstration waiver making changes to the Medicaid LIA program. We hope that you will consider our comments. Thank you very much.